SlOW growth Industrial sectur sttioi

1418. SHRI MuALIDHAR CHANDRAKANT, BHANDAAE : Will the PRIME MINISTER be plesed Estate:

(a) whether the industrial sector is still sufferings from recessionery conditions ;

(b) what is the average growth of .industrial sector during April—December, 1993 ;

(c) how does it compare with the corresponding, period of 1992 ;

(d) wb,at are the reasons for recessionaries trends in capital and basic goods industries; and

(e) what steps have been taken to accelerate growth in these sectors of the industry ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) to (c) As per the latest available estimates of Index of Industrial Production released by CSO, the industrial sector has shown a growth of 1.6 % during April—October, 1993 compared to a growth of 4.0 % during the correspond ing period of 1992.

(d) The basic goods industries have recorded a rate of growth of 3.0 % during April—October, 1993-94. The decline if the capital goods sector has been due to high rates of interest and the inherent adjustment lags in the process of industrial restucturing.

(e) The policy initiatives taken by the Government since July, 1991 are aimed at accelerating overall industrial production including the capital and basic goods industries. Further measure proposed in the Union Budget 1994-95 which include reduction of the customs duty on inputs, introduction of cuntervailing duty on imports to help domestic production, extension of Modvat to capital goods, reduction inmicimum lending rates on commercial advances are expected to accelerate industrial production.

Autonomy to PUSs

1419. SHRI MOHAMMED AMIN : Will the PRIME MINISTER, be pleased to state :

(a) whether Government have decided to allow autonomy to public sector undertaking; and

(b) if so, what are the details thereof ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SMT. KRISHNA SAHI) : (a) and (b) The Government decision to allow greater degree of management autonomy and other details have already been announced in the Industrial Policy Statement of July, 1991.

1420. *[Trsnsjerred to 8th April,* 1994.]

Prcposal to Allow Decision—Making System inP.S.Us.

1421. MISS SAROJ KHAPARDE : Will the PRIME MINISTER bepleased to state :

(a) whether Government propose to allow the commercial public.sector undertakings to develop their own decision-making system to enable them to compete with the private sector;

(b) if so, the details thereof;and

(c) if not, the reasons therefor ?

THE MINISTER OF STATE IN THE MINISTRY OF INDUSTRY (SHRIMATI KRISHNA SAHI):(a) to (c) Under the Articles of Association of a PSU, the powers are delineated between the board of directors and the President. The board of directors enjoy substantial operational autonomy. Further, some powers of the President have been delegated to the board of directors of PSUs in general and enhanced powers to MOU signing PSUs in particular. The MOU signing PSUs having gross block of over Rs. 200 cores have the power to incur expenditure on additions, modifica-itons and new investments upto Rs. 50 crores without prior approval of the Government and the power to incur expenditure on replacement and renewal of assets upto Rs. 100 crores subject to certain conditions. Delegation of powers is a continuous and dynamic process and is reviewed periodically to ensure that bottlenecks, if any, in the commercial functioning of PSUs are eliminated.

Higher production by P.S.Us under Department of Heavy Industry

1422. MISS SAROJ KAHPARDE : Will the PRIME MINISTERY pleased to,state:

(a) Whether it is a fact that fprtyeight manufacturing P.S.Us under the Department of Heavy Industry have achieved higher productiod in Deceinber, *1991',*

(b) if so, the details thereof ; and